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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91223290
Party	Defendant Nerium Biotechnology, Inc.
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Date	09/22/2015
Attachments	Applicant's Motion to Dismiss.pdf(16877 bytes)

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In Re:	§	
Application No.: 85/303510	§	
	§	
Filed: April 25, 2011	§	
	§	
Mark: NERIUM	§	
	§	
IC: 05	§	Opposition No.:
	§	91223290
NERIUM INTERNATIONAL, LLC	§	
Opposer	§	
	§	
v.	§	
	§	
NERIUM BIOTECHNOLOGY, INC.	§	
Applicant	§	

NERIUM BIOTECHNOLOGY, INC.'S RULE 12(B)(6) MOTION TO DISMISS FOR FAILURE TO STATE A CLAIM UPON WHICH RELIEF CAN BE GRANTED

Pursuant to Federal Rule of Civil Procedure 12(b)(6), Nerium Biotechnology, Inc. ("**Nerium**") hereby files this motion to dismiss Nerium International, LLC's ("**Opposer**") claim of dilution under Trademark Act Section 43(c) for failure to state a claim upon which relief can be granted.

I.
Summary

Opposer's Notice of Opposition (the "**Notice**") purports to identify two statutory grounds for opposition: (i) priority and likelihood of confusion under Trademark Act Section 2(d) and (ii) dilution under Trademark Act Section 43(c). However, the Notice fails to plead one of the necessary elements to state a dilution claim—namely, that Opposer's alleged mark became famous *before* Nerium filed its application. Consequently, Opposer's claim of dilution under

Trademark Act Section 43(c) is deficient and must be dismissed for failure to state a claim upon which relief can be granted.

II.
Applicable Law

Federal Rule of Civil Procedure 12(b)(6) permits a defendant to seek dismissal of insufficient claims that "fail[] to state a claim upon which relief can be granted." Fed. R. Civ. P. 12(b)(6); *accord* TBMP § 503 (2015). To survive a motion to dismiss under Rule 12(b)(6), a plaintiff need only allege facts that, if proved, establish (1) that the plaintiff has standing and (2) a valid opposition or cancellation ground. *E.g.*, *Doyle v. Al Johnson's Swedish Restaurant & Butik Inc.*, 101 USPQ2d 1780, 1782 (TTAB 2012); *accord* TBMP § 503.02 (2015). The pleading need not include a detailed explanation of the claims, but rather only "a short and plain statement of the claim showing that the pleader is entitled to relief." Fed. R. Civ. P. 8(a). When evaluating the sufficiency of a pleading, all disputed issues, and all reasonable inferences, are construed in the light most favorable to the pleading party. *Nike, Inc. v. Palm Beach Crossfit Inc.*, Opposition No. 91218512, document no. 9, at *8 (TTAB Sept. 11, 2015) (citing *Advanced Cardiovascular Sys., Inc. v. SciMed Life Sys. Inc.*, 26 USPQ2d 1038, 1041 (Fed. Cir. 1993)).

For a claim of dilution under Lanham Act Section 43(c), 15 U.S.C. § 1125(c), a plaintiff must plead and prove the following elements:

(1) plaintiff owns a famous mark that is distinctive;

(2) defendant is using a mark in commerce that allegedly dilutes plaintiff's famous mark;

(3) defendant's use of its mark began after plaintiff's mark became famous; and

(4) defendant's use of its mark is likely to cause dilution by blurring or tarnishment.

See Nike, Inc. v. Palm Beach Crossfit Inc., Opposition No. 91218512, document no. 9, at *10 (TTAB Sept. 11, 2015) (citing *Coach Servs., Inc. v. Triumph Learning LLC*, 101 USPQ2d 1713, 1723-24 (Fed. Cir. 2012)).

For the third dilution element, if the opposed application is intent-to-use, the plaintiff must plead and prove that its mark became famous before the filing of the intent-to-use application. *New York Yankees Partnership v. IET Products and Servs., Inc.*, 114 USPQ2d 1497, 1506 (TTAB 2015) ("Under the third dilution factor, Opposer must prove that its marks *became famous before the filing date of Applicant's intent-to-use applications*." (emphasis added)).

III.
Analysis

In this proceeding, the Notice fails to state a dilution claim under Section 43(c) of the Lanham Act because there is no allegation that Opposer's mark became famous before Nerium filed its Application Serial No. 85/303,510 on April 24, 2011.

Only one paragraph of the Notice—Paragraph 7—alleges that Opposer owns a famous mark: "Opposer's NERIUM mark is a famous trademark under both state dilution law and within the meaning of Section 43(c) of the Lanham Act, 15 U.S.C. 1125(c)." However, neither Paragraph 7 nor any other paragraph in the Notice states *when* the alleged fame was acquired. Instead, the Notice is entirely silent on the matter of the time at which Opposer's alleged mark became famous.

Further, while all reasonable inferences may be drawn in Opposer's favor, it would be unreasonable to infer that Opposer's alleged mark was famous as of April 24, 2011 in view of the pleaded allegations. First, with the extremely short period of time between Opposer's alleged first use in "April 2011" (Notice of Opposition ¶ 2) and the filing of Nerium's application on April 24, 2011, the fame of Opposer's alleged mark cannot be fairly inferred. Indeed, obtaining

the high level of fame required for dilution purposes—"wide[] recogni[tion] by the general consuming public of the United States as a designation of source of the goods or services of the mark's owner" under 15 U.S.C. § 1125(c)(2)(A)—in such a short period would be an unusual feat. In addition, there are no other factors alleged in the Notice suggesting that Opposer's alleged mark had become famous as of April 24, 2011. For example, the alleged "$45 Million on marketing and advertising" is asserted to have been expended "over the last 30 months," not before April 24, 2011. (Notice of Opposition ¶ 5). Likewise, the "50,000 people" asserted to have attended Opposer's sales conferences are alleged to have done so "over the past 4 years," not before April 24, 2011. (Notice of Opposition ¶ 6). Based on the facts asserted in the Notice, it would be unreasonable to infer that Opposer's alleged mark was famous before Nerium filed its Application Serial No. 85/303,510 on April 24, 2011.

Accordingly, because the Notice omits the third element required to state a dilution claim under Section 43(c), Opposer's dilution claim is insufficient and must be dismissed.

IV.
Prayer for Relief

Nerium respectfully requests that Opposer's claim of dilution under Trademark Act Section 43(c) be dismissed for failure to state a claim under Federal Rule of Civil Procedure 12(b)(6).

Dated: September 22, 2015.

Respectfully submitted,

HAYNES AND BOONE, LLP

/s/ William B. Nash /s/

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ATTORNEYS FOR APPLICANT
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CERTIFICATE OF SERVICE

I hereby certify that a true and complete copy of the foregoing NERIUM BIOTECHNOLOGY, INC.'S RULE 12(B)(6) MOTION TO DISMISS FOR FAILURE TO STATE A CLAIM UPON WHICH RELIEF CAN BE GRANTED has been served on counsel of record for Nerium International, LLC by mailing said copy on September 22, 2015, via First Class Mail, postage prepaid to:

Robert J. Ward
Gardere Wynne Sewell, LLP
3000 Thanksgiving Tower
1601 Elm Street
Dallas, TX 75201

/s/ Jason W. Whitney /s/
Jason W. Whitney